

BUSINESS MEETING OF THE

MICHIGAN LIQUOR CONTROL COMMISSION

Held: Tuesday, September 16, 2014

Lansing District Office

525 W Allegan Lansing MI 48909

Present: Teri L. Quimby, Commissioner

Dennis Olshove, Commissioner

Absent: Andrew J. Deloney, Chairman

Staff: Pam Hamilton, Deputy Director of Finance Division

Anita Fawcett, Executive Services Division

The meeting was called to order by Commissioner Quimby at 9:38 a.m., noting a quorum was present.

I. Moved by Commissioner Olshove, supported by Commissioner Quimby, that the minutes of the Commission meeting of September 9, 2014, be approved as written and presented, motion carried by unanimous vote.

Moved by Commissioner Olshove, supported by Commissioner Quimby, that the minutes of the Closed Session meeting of September 5, 2014, be approved as written and presented, motion carried by unanimous vote.

- II. Ms. Hamilton presented the E-Quote reports for product listings in four categories and requested approval of the following:
 - **A.** That the products listed below be granted exceptions to the standard pack size, inasmuch as the items are packaged nationally or meets other exceptions as indicated and be approved for listing in the approved products list effective October 5, 2014:

<u>COMPANY/ADA</u>	<u>PRODUCT</u>	PACK SIZE
Bacardi U.S.A., Inc.	750ml Craigellachie 13 Yr. Single Malt	6 Bottles
(General Wine & Liquor Co.)	750ml DeWar's 15 Yr. Scotch	6 Bottles
Jim Beam Brands Co.	750ml Alberta Rye Dark Batch	6 Bottles
(NWS Michigan, Inc.)	750ml Jim Beam Distillers Masterpiece	2 Bottles
Brown-Forman Corporation	750ml Herradura Reposado Scotch Cask	4 Bottles
(General Wine & Liquor Co.)	750ml J Daniel Sngle Barrl Holiday Sel	6 Bottles

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International Beverage Co., Inc. (General Wine & Liquor Co.)	50ml Tobermory 10 Yr. Scotch	96 Bottles
MHW, Ltd. (General Wine & Liquor Co.)	750ml LaFee Absinthe Parisienne	6 Bottles
MHW, Ltd.	50ml Dbl Brrl Shots Diablo	72 Bottles
(NWS Michigan, Inc.)	50ml Dbl Brrl Shots Horny Bull PL	72 Bottles
	50ml Dbl Brrl Shots Royal Flush PL	72 Bottles
	50ml Dbl Brrl Shots Skull Crush PL	72 Bottles
	750ml Fair Quinoa Vodka	6 Bottles
Pernod Ricard USA, LLC (NWS Michigan, Inc.)	750ml Glenlivet Nadurra Oloroso Scotch	6 Bottles
Proximo Spirits, Inc. (General Wine & Liquor Co.)	750ml Tincup Whiskey	6 Bottles
Moet Hennessy USA, Inc. (NWS Michigan, Inc.)	750ml Glenmorangie Taghta Scotch	6 Bottles
Serralles USA, LLC (General Wine & Liquor Co.)	750ml Barrow's Intense	6 Bottles
Skyy Spirits, LLC (General Wine & Liquor Co.)	375ml Forty Creek Barrel Select	12 Bottles
Two James Spirits LLC	750ml Two James Johnny Smoking Gun	6 Bottles
(General Wine & Liquor Co.)	750ml Two James Rye Dog	6 Bottles
Diageo Americas, Inc.	375ml Smirnoff Whipped Cream Vodka	12 Bottles
(NWS Michigan, Inc.)	375ml Smirnoff Cinnamon Churros	12 Bottles
	375ml Smirnoff Kissed Caramel Vodka	12 Bottles
Vision Wine & Spirits, LLC	750ml The Bitter Truth E.X.R.	6 Bottles
(General Wine & Liquor Co.)	750ml The Bitter Truth Gold Falernum	6 Bottles
	750ml The Bitter Truth Pimento Dram	6 Bottles
	750ml The Bitter Truth Violet	6 Bottles
Wilson Daniels, Ltd. (General Wine & Liquor Co.)	750ml Coralejo 99,000 Horas Anejo	6 Bottles
Whyte and MacKay Americas	750ml Jura Brooklyn Scotch	6 Bottles
Limited LLC (General Wine & Liquor Co.)	750ml Jura 21 Yr. Scotch	6 Bottles

That the request of Winery at Black Star Farms, L.L.C. holder of 2014 Small Distiller license, for addition of the following product to the approved product list with case size exceptions, be approved for listing, effective October 5, 2014; further prior to any sale and distribution of the product through the Commission's spirit distribution system, Winery at Black Star Farms, L.L.C., must submit and receive Commission approval for an amended liquor quotation which designates an Authorized Distribution Agent for this product:

PRODUCT 375ml Black Star Farms Spirit-Honey Brandy PACK SIZE 12 Bottles

B. That the following requests for addition of product to the approved products list be approved for listing, effective October 5, 2014:

COMPANY/ADA	PRODUCT	PACK SIZE
Artisan Spirits, LLC (NWS Michigan, Inc.)	750ml Pinckney Bend American Gin 750ml Pinckney Bend Corn Whiskey 750ml Pinckney Bend Rested Whiskey 750ml Pinckney Bend Vodka	12 Bottles 12 Bottles 12 Bottles 12 Bottles
Jim Beam Brands Co. (NWS Michigan, Inc.)	1000ml Giro Gold Liqueur Tequila 1750ml Jim Beam Operation Homefron P 750ml Pinnacle King Cake Vodka	12 Bottles L 6 Bottles 12 Bottles
Brown-Forman Corporation (General Wine & Liquor Co.)	375ml Jack Daniel's Tennessee Fir PL 750ml Jack Daniel's Tennessee Fire 1000ml Jack Daniel's Tennessee Fire 1750ml Jack Daniel's Tennessee Fire	24 Bottles 12 Bottles 12 Bottles 6 Bottles
Dangerous Wine Group L.L.C. (NWS Michigan, Inc.)	750ml Old Man Guavaberry 750ml Old Man Guavaberry 5 Yr. Rum 750ml Old Man Guavaberry 8 Yr. Rum	12 Bottles 12 Bottles 12 Bottles
MHW, Ltd. (General Wine & Liquor Co.)	50ml Tippy Cow Chocolate PL 50ml Tippy Cow Orange Cream PL 50ml Tippy Cow Shamrock Mint PL 50ml Tippy Cow Vanilla Soft Serv PL	120 Bottles 120 Bottles 120 Bottles 120 Bottles
Monsieur Henri Wine Company (NWS Michigan, Inc.)	50ml Ryan's Cream PL	120 Bottles
Illyrian Import, Inc. (NWS Michigan, Inc.)	1000ml Dana Pelinkovec Bitter Liqueur 1000ml Dana Stara Slivovka Plum (Slo) 1000ml Sadjevec Apple-Pear Brandy	12 Bottles 12 Bottles 12 Bottles
Pernod Ricard USA, LLC (NWS Michigan, Inc.)	750ml Martell Caractere Cognac	12 Bottles
Ransom Spirits, LLC (General Wine & Liquor Co.)	750ml Ransom Dry Gin 375ml Ransom Grappa Brandy 750ml Ransom Old Tom Gin 750ml Ransom The Vodka	12 Bottles 24 Bottles 12 Bottles 12 Bottles
Skyy Spirits, LLC (General Wine & Liquor Co.)	750ml Whipper Snapper Whiskey 50ml Forty Creek Barrel Select 1000ml Forty Creek Barrel Select 1750ml Forty Creek Barrel Select	12 Bottles 120 Bottles 12 Bottles 6 Bottles

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Vision Wine & Spirits, LLC (General Wine & Liquor Co.)

200ml The Bitter Truth Tonic Bitters

48 Bottles

C. That the following requests for promotional or special packaging be approved for listing, effective October 5, 2014:

COMPANY/ADA	PRODUCT	PACK SIZE
Jim Beam Brands Co. (NWS Michigan, Inc.) Brown-Forman Corporation	750ml 2 Gingers w/Glasses 750ml Jacob's Ghost w/3-50mls 750ml Jim Beam Black w/4-50mls 750ml Pinnacle w/3-50mls 750ml Pinnacle Whipped w/3-50mls 750ml Chambord Lig w/Bottle Stopper	6 Bottles 6 Bottles 6 Bottles 6 Bottles 6 Bottles 6 Bottles
(General Wine & Liquor Co.) MWH, Ltd. (General Wine & Liquor Co.) New Holland Brewing	375ml Galliano L'Autentico w/Mug	12 Bottles
Company, L.L.C. (General Wine & Liquor Co.)	750ml New Holland Zeppelin Gift	6 Bottles
Pernod Ricard USA, LLC (NWS Michigan, Inc.) Phillips Products Co., LLC	750ml Absolut Ruby Red w/OS Grpefrt 750ml Malibu Coco w/50ml Red & Black 750ml Hot Stuff Cinnamon w/Shot Ski	6 Bottles 12 Bottles 6 Bottles
(General Wine & Liquor Co.) Diageo Americas, Inc. (NWS Michigan, Inc.)	750ml Bulleit 95 Rye w/Flask 750ml Capt Morgan Spiced w/Key Chain 750ml Capt Morgan White w/Shot Gls 750ml Ciroc Snap Frost w/Money Clip 750ml JW Black w/Money Clip 750ml Peligroso Cinnamon w/Shot Gls 750ml Smirnoff 80 w/50 Smir Rasp PL 750ml Smirnoff 80 w/LED Shot Gls	12 Bottles 12 Bottles 12 Bottles 12 Bottles 12 Bottles 6 Bottles 12 Bottles 12 Bottles
Veev Spirits, L.L.C. (General Wine & Liquor Co.)	750ml Veev Vitafruit Co Colada w/2 Gls 750ml Veev w/Cocktail Gift Set	12 Bottles 6 Bottles
Whyte and MacKay Americas Limited LLC (General Wine & Liquor Co.)	750ml The Dalmore 15 Yr. w/2 Gls	6 Bottles

D. That the following requests for deletion of product from the approved products list be approved for delisting, effective October 5, 2014:

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<u>COMPANY</u>	<u>PRODUCT</u>	PACK SIZE
Jim Beam Brands Co. (NWS Michigan, Inc.)	750ml Effen Salted Caramel Vodka	6 Bottles
Proximo Spirits, Inc. (General Wine & Liquor Co.)	750ml Tincup Whiskey	6 Bottles

Moved by Commissioner Olshove, supported by Commissioner Quimby, that the above actions be taken in accordance with the E-Quote reports dated September 11, 2014, motion carried by unanimous vote.

III. Ms. Hamilton presented licensee requests for special price reductions on spirit products in accordance with the provisions of the Commission's Order of September 11, 2012 regarding special price reductions on spirit products, which was effective on January 1, 2013. She advised there were seventy three (73) different licensees requesting price reductions; and that 2053 product price reductions could be approved; and that 10 product price reductions should be denied.

Moved by Commissioner Olshove, supported by Commissioner Quimby, that the 2053 special price reductions be approved as indicated on the attached Approval for Price Reduction on Liquor report, motion carried by unanimous vote.

Moved by Commissioner Olshove, supported by Commissioner Quimby, that the 10 special price reductions be denied for the reasons stated in the attached Notification of Denial for Price Reduction reports, motion carried by unanimous vote.

IV. Ms. Hamilton presented the July 2014 Financial Report which shows the results of our operations for the period of October 1, 2013 through July 31, 2014 and is compared with the same period from the previous fiscal year. She stated for comparative purposes, July 2014 has four ½ accounting weeks, and that July 2013 had four weeks. Ms. Hamilton stated the Total Gross Sales increased over last year by almost \$46.2 million or 5.1% higher, with the Distilled Spirit cases sold increasing by 244,650 or 3.9%. She advised the Net Income from spirit sales was lower by \$132,464 or 0.1%, and that Beer taxes are higher by \$885,187, with Wine taxes lower than last year by \$288,299.

Moved by Commissioner Quimby, supported by Commissioner Olshove, that the July 2014 Financial Report, be accepted, motion carried by unanimous vote.

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٧.	Old Business.	
	There was no Old Business.	
VI.	New Business.	
	There was no New Business.	
VII.	Public Comments.	
	There were no Public Comments.	
With no further business, moved by Commissioner Quimby, supported by Commissioner Olshove, that the business meeting be adjourned at 9:47 a.m., motion carried by unanimous vote.		
Anita	Teri L. Quimby Commissioner Fawcett	

Executive Services